

BILL ANALYSIS

RESOURCES AGENCY

DEPARTMENT California Coastal Commission	AUTHOR Jackson	BILL NUMBER AB 1280
SPONSORED BY League for Coastal Protection	RELATED BILLS	DATE LAST AMENDED 4/8/99
SUBJECT Oil and Gas Development: Pipelines		

SUMMARY

AB 1280 would require that all oil extracted from a source located in whole, or in part, under the sea be transported by pipeline to onshore processing and refining facilities. All pipelines used to transport this oil would also be required to utilize the best available technology to ensure maximum protection of public health and safety and of the integrity and productivity of terrestrial and marine ecosystems. The Coastal Commission, in conjunction with other agencies, would be required by this bill to inventory existing Geographical Information System (GIS) maps and gather and assess the sufficiency of available data on oil and gas pipelines in coastal areas to evaluate their risk potential.

The Commission voted to support AB 1280 on April 15, 1999.

ANALYSIS

Existing Law: The existing California Coastal Act (Section 30262) permits oil and gas development, if specified conditions relating to safety and environmental mitigation are met.

Changes Proposed by this Bill: This bill would add to Section 30262 a condition that all oil extracted from a source located in whole, or in part, under the sea be transported by pipeline to onshore processing, refining, and other facilities. All pipelines used to transport this oil would be required to utilize the best available technology to ensure maximum protection of public health and safety and of the integrity and productivity of terrestrial and marine ecosystems.

Moreover, AB 1280 would require the Coastal Commission, in conjunction with the State Water Resources Control Board, the State Fire Marshall, the Division of Oil, Gas, and Geothermal Resources, and the State Department of Health Services, to inventory the existing sources, reliability, and accessibility of GIS mapping of oil and gas pipelines in coastal areas. The Commission would then be required to gather and assess the sufficiency of available data for determining the age, condition, and maintenance record of those pipelines in order to evaluate their risk potential, and report its findings to the Legislature by June 1, 2000.

Discussion: According to the bill's sponsors, oil companies that hold federal offshore oil leases in the Outer Continental Shelf will likely be motivated to seek additional drilling permits in the near future based on an invigorated market for these leases. Smaller oil companies, for example, have reportedly purchased leases from Chevron and Arco.

DEPARTMENTS THAT MAY BE AFFECTED

California Coastal Commission, State Water Resources Control Board, Conservation

STATE MANDATE ☐

GOVERNOR'S APPOINTMENT ☐

DEPARTMENT DIRECTOR

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AGENCY SECRETARY POSITION

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GOVERNOR'S OFFICE USE

Position approved..... ☐
 Position disapproved ☐
 Position Noted ☐

DEPARTMENT DIRECTOR

AGENCY SECRETARY

BY

DATE

The sponsors contend that there is little that the state can do to stop these companies from pursuing additional permits, unless the federal government agrees to compensate oil companies in exchange for their leases, which is unlikely.

With this in mind, the sponsors maintain that an increase in tankering will result as more drilling permits are issued. Tankering increases the chance of oil spills along the coast. This bill requires that all oil extracted from a source located in whole, or in part, under the sea be transported by pipeline, universally accepted as a lesser evil than tankering, according to the sponsors, to onshore processing and refining facilities. One concern about pipelines, however, is that they can leak and cause widespread ecological damage. Currently, the sponsors state that the most "cutting edge" technology for detecting these leaks is not in use.

To strive for early detection of oil leaks in pipelines, AB 1280 requires the Coastal Commission, in conjunction with other agencies named above to inventory existing GIS maps of oil and gas pipelines in coastal areas and gather and assess the sufficiency of available data to evaluate the risk of pipeline failure or leakage. Current efforts are underway by the State Fire Marshall, the Division of Oil, Gas, and Geothermal Resources (Department of Conservation), and the U.S. Department of Transportation (National Pipeline Safety Program) to digitize some or all oil and gas pipelines, many of which lie in the coastal zone, under their respective jurisdictions.

Suggested amendment:

- Amend Section 30262.5(a)(1) to read: Inventory the existing sources, reliability, and accessibility of Geographical Information System (GIS) mapping of oil and gas pipelines in coastal areas zone, as defined in *Public Resource Code Section 30103*, both onshore and offshore.

FISCAL IMPACT

Minor fiscal impacts are anticipated to carry out GIS and data gathering responsibilities, as required by this bill.

POSITION

The Commission voted to support AB 1280 on April 15, 1999.

For more information contact Jeff Stump, Legislative Coordinator, at (415) 904-5266.